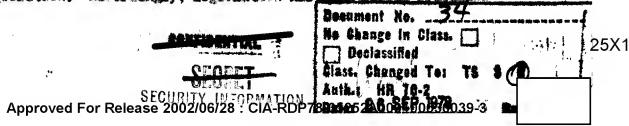
A DENTIL	ul.	Ceneral Counsal	
TEPTACH:		Acting Deputy irector (Administration)	
from.		Comptroller	
SUMMOT:		Shortage in: tation shade	25X1A6A
W. PARAMES.	(1)	Memo for Comptroller from DD/A, dated 8 heptember 1953,	
	(2)	Hemo for ADD/A from O/CC, dated 24 July 1953,	

1. In light of the review of reported facts surrounding subject shortages, references indicate that the individual charged with responsibility for the funds in this case is personally liable for the amount of the loss. Such determination, is based on the conclusion that the causes for the loss do not result from peculiarities of this Agency's mission.

## 25X1A2G

- 2. A dispatch copy attached has been directed to the station instructing that the loss be recovered from the responsible individual.
- 3. While we are inclined to agree with the conclusions reached in this matter insefer as the determination of personal liability is concerned, we feel that such determination requires consideration of the establishment of an Agency pelicy relating to the relief of accountable individuals in circumstances where losses occur when an employee is acting in the discharge of his official duties and the loss occurs without fault or negligence on the part of the employee.
- h. In the case of normal (everyont activities, which were dited as the primary basis for the decision to haid the employee in this case personally liable, the employee has recourse to certain actions which may bring him relief. For example, throughout the legislative history of this country, thousands of bills have been introduced and passed by the congress which served to relieve accountable officers of differences discovered in their accounts. Such bills, under appropriate circusstances, are frequently prepared and introduced by the Agency or governmental unit by which the accountable officer is apployed.
- 5. In more recent years, longress has recognized the accessity for continuing authority and procedure wareby accountable officers may be relieved, under appropriate circumstances, from liability for shortages and discrepancies in their accounts without recourse to special legislation. Accordingly, legislation has been possed programs.



SECURITY INFORMATION

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for relief of accountable, certifying and dispursing officers under certain conditions. An example of such legislation appears in Title 3 of the U. C. Code, paragraph 52a-l-, titled, Selief of Accountable officers of liability for loss.

- to these methods of obtaining relief for accountable officers of this Agency. Therefore, at the mement and based on the referenced determinations, it appears that accountable officers of this Agency may be held personally liable for losses because the loss occurs in a "situation distinctive of no deversement agency" whereas because of security aspects peculiar to this Agency, they will most likely be decied the opportunity to obtain relief by means generally available to employees of other agencies.
- 7. Your review of this problem and advice as to the methods by which this agency may afford its employees an opportunity for relief from personal liability in cases such as the subject will be appreciated.

L. R. SAUNDERS

Attachment

